

## ***What is the Work Opportunity Tax Credit (WOTC)?***

The WOTC is available to employers who hire people from specific target groups that experience barriers to employment. (See inside brochure for Target Group descriptions).

- WOTC can provide up to \$2,400 in tax relief for each qualifying hire, and up to \$9,000 for long term family assistance recipient hires.
- Easy application process.
- Full-time, part-time, and temporary employees make your business eligible for the tax credit.
- Employers may claim a tax credit on an unlimited number of qualifying new hires.



**Note:** The employee must be retained a minimum of 120 hours for the employer to receive the tax credit.

# ***Need more information?***

Visit our Web Site at  
[www.edd.ca.gov/Jobs\\_and\\_Training/Work\\_Opportunity\\_Tax\\_Credit.htm](http://www.edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm)

or call the WOTC Center at  
**1-866-593-0173**



**State of California**

**Labor and Workforce Development Agency**

**Employment Development Department**

EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 1-866-593-0173 (voice). TTY users, please call the California Relay Service at 711.

***Are you taking  
advantage of a Federal  
tax credit up to  
\$9,000  
when you hire  
new employees?***



***Find out how the Work  
Opportunity Tax Credit  
Program can benefit  
your bottom line!***



## How do employers apply for the tax credit?

Employers must apply for and receive certification from the Employment Development Department (EDD) that their new hire is a member of one of the WOTC target groups before they can claim the WOTC on their federal tax return. Visit EDD's Web site at [www.edd.ca.gov/Jobs\\_and\\_Training/Work\\_Opportunity\\_Tax\\_Credit.htm](http://www.edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm) to download the necessary forms and to get more information on WOTC.

### Two forms are needed to apply:

- **IRS 8850** – *Prescreening Notice and Certification Request for the Work Opportunity Tax Credit*

This form must be completed by both the employee and the employer, with original signatures by both parties.

- **ETA 9061** – *Individual Characteristics Form*.

This form can be completed either by the employee, or by the employer in response to the questions asked of the employee.

### Note:

**ETA 9062** - *Conditional Certification* form may be used in place of the ETA 9061. The ETA 9062 is completed by EDD or a participating agency when prescreening a client for WOTC eligibility.

## How can my company qualify for the tax credit?

If the new employee fits into one of the following nine **Target Groups**, they may qualify you for the WOTC:

- Recipient of Temporary Assistance to Needy Families.
- Veteran who is receiving Food Stamps, or a Disabled Veteran with a 10% or higher rating who:
  - ▶ is hired within 1 year of their discharge date, or
  - ▶ has been unemployed 6 months or more (whether or not consecutive) during the 1 year period prior to their hire date.
- Ex-Felon – must be hired no later than one year after conviction or release from prison for a felony.
- Designated Community Resident – age 18-39 year old resident of an Empowerment Zone (EZ), Renewal Community (RC) or Rural Renewal County (RRC).
- Vocational Rehabilitation referral.
- 16-17 year old resident of an EZ, EC, or RRC, hired as a summer youth employee.
- 18-39 year old food stamp recipient.
- Supplemental Security Income recipient.
- Long-term family assistance recipient.

## Timeliness!

To apply for certification, employers must mail the two forms to the:

**WOTC Center**  
**2901 50th Street**  
**Sacramento, CA 95817-2399**

**NO LATER THAN THE 28<sup>TH</sup> DAY**  
 after the new hire's first day of work

Employers can download these forms, along with an Employer Guide at [www.edd.ca.gov/Jobs\\_and\\_Training/Work\\_Opportunity\\_Tax\\_Credit.htm](http://www.edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm)

## Questions?

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